

Legacy of Colonialism: Britain Robbed India of \$45 Trillion and Thence 1.8 Billion Indians Died from Deprivation

By [Gideon Polya](#)

Global Research, December 19, 2018

[Countercurrents](#) 18 December 2018

Region: [Asia](#), [Europe](#)

Theme: [History](#)

Eminent Indian economist Professor Utsa Patnaik (Jawaharlal Nehru University) has estimated that Britain robbed India of \$45 trillion between 1765 and 1938, However it is estimated that if India had remained free with 24% of world GDP as in 1700 then its cumulative GDP would have been \$232 trillion greater (1700-2003) and \$44 trillion greater (1700-1950). Deprivation kills and it is estimated that 1.8 billion Indians died avoidably from egregious deprivation under the British (1757-1947). The deadly impact of British occupation of India lingers today 71 years after Independence, with 4 million people dying avoidably from deprivation each year in capitalist India as compared to zero (0) in China.

Professor Utsa Patnaik is professor emeritus at Jawaharlal Nehru University, New Delhi. Utsa Patnaik is a Marxist economist and taught at the Centre for Economic Studies and Planning in the School of Social Sciences at Jawaharlal Nehru University (JNU) from 1973 until her retirement in 2010. She obtained her PhD in economics from Oxford University, UK, and has researched the transition from agricultural peasant societies to industrial societies, and food security and poverty, especially in India [1]. Utsa Patnaik's latest book, co-authored with Prabhat Patnaik, is "A Theory of Imperialism" (2016) [2].

We all know that the British rapaciously exploited India. Professor Utsa Patnaik has estimated the magnitude of the British robbing of India thus: "Between 1765 and 1938, the drain amounted to 9.2 trillion pounds (\$45 trillion), taking India's export surplus earnings as the measure, and compounding it at a 5 per cent rate of interest" [3-5].

(A) How and by how much did Britain rob India?

After the betrayal and defeat of the Nawab of Bengal, Siraj ud-daulah, at the Battle of Plassey in 1757, the British installed their own puppet, Mir Jafar, as Nawab. The British extracted huge concessions from the defeated Bengalis including land, a monopoly of trade with Europe, and exemption from taxation on internal trade. The British subsequently replaced Mir Jafar with Mir Kasim as Nawab of Bengal. The Bengalis under Mir Kasim were finally driven to revolt when he was in turn sacked by the British and replaced by Mir Jafar for a second term. The Bengalis were defeated at the Battle of Buxar in 1764, and in 1765 the Moghul Emperor Shah Alam was "persuaded" to grant the power of taxation (diwani) in Bengal to the British East India Company. The British in turn sub-contracted rapacious revenue collection to Bengalis.

Some of the revenue would go the Emperor and some to the Nawab, with the remainder being retained by the British. The British described this as "farming" the Bengali peasants

(ryots), but over-taxing of Bengalis meant that 10 million Bengalis perished in the Great Bengal Famine of 1769-1770. The East India Company used about one third of the collected revenue to buy Indian goods and thus the Bengalis were in effect being paid for their goods through the exorbitant taxes applied to them. 15 years later, exorbitant British taxation led to famine in the Gangetic plain to the west of Bengal. Indeed such British excesses led to the British Parliament (unsuccessfully) impeaching Warren Hastings (first Governor General of India and father by adultery of Jane Austen's cousin Eliza) for crimes such as the violation of the Begums of Oudh - he was of course eventually acquitted [6].

By the 1840s the East India Company had dominion over most of present-day India, Pakistan and Bangladesh but the British Government was increasingly keen for greater involvement in the exploitative proceedings. In 1847 the British Government introduced a scheme whereby those wishing to buy Indian goods could only do so using Council Bills issued by the British Crown in London. Traders would pay for such Bills in gold and silver and use them to pay Indian producers who would in turn cash them in for rupees at the local colonial office - rupees that been exacted by exorbitant taxation [5].

In his book "Inglorious Empire. What the British did to India", Shashi Tharoor describes how the British looted and de-industrialized India and thus paid for Britain's Industrial Revolution and violent global dominance: "At the beginning of the eighteenth century, as the British economic historian Angus Maddison has demonstrated, India's share of the world economy was 23 per cent, as large as all of Europe put together. (It had been 27 per cent in 1700, when the Mughal Emperor Aurangzeb's treasury raked in £100 million in tax revenues alone.) By the time the British departed India, it had dropped to just over 3 per cent. The reason was simple: India was governed for the benefit of Britain. Britain's rise for 200 years was financed by its depredations in India" ([7], page 3 [8]). This deadly and merciless taxation was accompanied by massive de-industrialization of India. Thus before the invasion by the British, India led the world in textiles, agriculture and metallurgy, but rapidly became an exporter of raw materials and an importer of goods manufactured in Britain [6- 8].

Professor Utsa Patnaik's estimate of Britain's theft from India amounting to \$45 trillion (1765-1938) [3-5] can be compared with estimates based on GDP considerations.

According to Wikipedia, India's share of the world economy declined from 24.4% in 1700 to 4.2% in 1950. India's share of global industrial output declined from 25% in 1750 to 2% in 1900 [9]. From available data on India's GDP and India's share of world GDP since 1700 [10, 11] one can get a very rough estimate of what India's cumulative GDP could have been from 1700-2003 if the British had not robbed and raped India.

Thus the cumulative GDP (PPP) for India is given below for 6 periods since 1700 (A) at the observed average % of world GDP , and (B) if the average Indian % of world GDP had remained at the pre-British invasion 24.0% in 1770.

1. 1700-1820: (A) \$13.1 trillion (20.3%) versus (B) \$15.8 trillion (24.0%).
2. 1820-1870: (A) \$6.2 trillion (14.0%) versus (B) \$10.5 trillion (24.0%).
3. 1870-1913: (A) \$7.3 trillion (9.8%) versus (B) \$18.0 trillion (24.0%).
4. 1913-1950: (A) \$7.9 trillion (5.5%) versus (B) \$34.4 trillion (24.0%).

5. 1950-1973: (A) \$8.3 trillion (3.5%) versus (B) \$56.8 trillion (24.0%).

6. 1973-2003: (A) \$41.5 trillion (5.5%) versus (B) \$180.9 trillion (24.0%).

It has taken India 7 decades to partially recover from 2 centuries of rapacious British imperialism. The difference in cumulative GDP is \$316.4 trillion (1700-2003) and \$44 trillion (1700-1950), the latter estimate of India's deprivation being consonant with Professor Utsa Patnaik's estimate that the British had stolen \$45 trillion from India between 1765 and 1938 [3-5].

(B) 1.8 billion Indians died avoidably from egregious deprivation under the British.

Imposed poverty kills. Poverty-derived avoidable mortality (avoidable death, excess mortality, excess death, premature death, untimely death, death that should not have happened) can be estimated as the difference between the actual deaths in a country and the deaths expected for a peaceful, decently governed country with same demographics (birth rate and percentage of children) [12]. Below are listed in rough chronological order some shocking salient features of the deadly impact of rapacious British imperialism over 2 centuries in British India, Britain's Auschwitz.

1. In the 1769-1770 Great Bengal Famine 10 million out of 30 million over-taxed Bengalis starved to death [6, 13].
2. Scores of millions of Indians perished in man-made famines between the 1769-1770 Great Bengal Famine and the 1942-1945 WW2 Bengal Famine [6].
3. Using Indian census data 1870-1950, assuming an Indian population of about 200 million in the period 1760-1870, and estimating by interpolation from available data an Indian avoidable death rate in (deaths per 1,000 of population) of 37 (1757-1920), 35 (1920-1930), 30 (1930-1940) and 24 (1940-1950), one can estimate Indian excess deaths of 592 million (1757-1837), 497 million (1837-1901) and 418 million (1901-1947), roughly 1.5 billion in total or 1.8 billion including the Native States [14].
5. Scores of millions of distant British keeping hundreds of millions of Indians on the edge of starvation was enabled by relatively small numbers of British soldiers and much greater numbers of well-fed Indian soldiers threatening requisite violence [6]. It has been estimated by Amaresh Misra that 10 million Indians were massacred in the decade after the 1857 Indian Mutiny (Indian Rebellion) as reprisals for 2,000 British deaths [15, 16].
6. Despite a very high birth rate, the Indian population did not increase between 1860 (292 million) and 1934 (292 million) [17]. This is indicative of massive avoidable deaths from imposed deprivation that can be estimated as 745 million (1860-1934) or an average of about 10 million Indian avoidable deaths from deprivation per year [14].
7. Addressing the House of Commons in 1935, racist, imperialist and mass murderer Winston Churchill made an extraordinary confession in stating of the

subjugated Indians: “In the standard of life they have nothing to spare. The slightest fall from the present standard of life in India means slow starvation, and the actual squeezing out of life, not only of millions but of scores of millions of people, who have come into the world at your invitation and under the shield and protection of British power” [6, 18, 19]. 7 years later Churchill commenced the deliberate starving to death over 4 years of 6-7 million Indians in Bengal, Orissa, Bihar and Assam as the British exported grain from India and slashed grain imports [6].

8. 8. In the 1942-1945 WW2 Bengali Holocaust (Indian Holocaust, WW2 Bengal Famine) 6-7 million Indians were deliberately starved to death for strategic reasons by the British with Australian complicity (Australia was complicit by denying starving India food from its huge wartime food stores) [6, 12-14, 19-27]. This atrocity has been white-washed from history and general public perception by successive generations of Anglo journalist, editor, politician and academic presstitutes. Indeed perpetrator Churchill made no mention for this atrocity in his 6-volume history “The Second World War” for which he was awarded the Nobel Prize for Literature [6].
9. According to Professor Utsa Patnaik Indian per capita annual consumption of food was 200 kg in 1900, but went down to 137 kg during World War II and in 1946 [28]. This is consonant with the following data from my book “Jane Austen and the Black Hole of British History”: “The population of India at that time [1940] was about 400 million and total grain production was 50 to 70 million tons annually. The population was growing at a rate of about 5% per year and there was a requirement of net imports of about 1-2 million tons of grain per annum to make up for deficiencies... Behrens’ figures for grain shipments (in tons) for India in 1942-1945 are as follows: 1942 (30,000), 1943 (303,000), 1944 (639,000) and 1945 (871,000). The 1942 shipment involved 2 lots from Australia contracted for at the rate of 15,000 tons per month to supply the Indian Army (the balance of the demand was not shipped that year). 2.4 million men served in the Indian Army during World War 2. This estimate can be “reduced” since not all of these were in the Army at the same time, scores of thousands were in the Mediterranean theatre (250,000 served there), had been captured by the Japanese or had died. Taking the gross Indian annual grain production estimates of about 60 million tons for 400 million people, we see that the average consumption was 0.15 tons per person per year (obviously more for adults and less for children). The annual requirement for about 2 million men in the “reduced” Indian Army was therefore 0.3 million tons. We can arrive at a figure having a similar order of magnitude from the 1942 contracted requirement of 15,000 tons per month i.e. 0.18 million tons for a whole year. If we assume that an Indian Army soldier required 50% more food than the average Indian we would estimate that the annual grain requirement for a 2 million strong Indian Army would be about 0.45 million tons. The average yearly importation in 1942-1945 was 0.46 million tons and thus we can see that the grain actually imported was merely enough to feed the Indian Army” (pages 156-158, Chapter 15 [6]).
10. Shashi Tharoor in “Inglorious Empire”: “The British left a society with 16 per cent literacy, a life expectancy of 27, practically no domestic industry and over 90 per cent living below what today we would call the poverty line” ([7], page 215 [8]) . As indicated in (6) above, the life expectancy of 27 years corresponded to about

10 million Indian avoidable deaths from deprivation per year.

11. Things got much better after Indian Independence. The 1.8 billion avoidable Indian deaths from deprivation under the genocidal British over 2 centuries is not that surprising when one considers that despite modern medicine, antibiotics, and the essential absence of famine, avoidable deaths from deprivation in the period 1950-2005 in India totalled 0.35 billion [14]. Annual avoidable deaths as a percentage of population fell from a genocidal 2.4% per year in 1947 under the British to 0.35% per year in 2005, but the population of India increased from 380 million in 1947 to about 1,100 million in 2005. Today 4 million Indians die avoidably from deprivation each year as compared to zero (0) in China that, unlike capitalist India, has overcome endemic poverty [11].
12. The 3 Laws of Thermodynamics that underlie Chemistry, Physics and industry are (1) the energy of a closed system is constant, (2) the entropy (disorder, lack of information content) strives to a maximum, and (3) there is zero molecular motion in a pure crystal at absolute zero degrees Kelvin (-273. 15 degrees Centigrade). Polya's 3 Laws of Economics are based on the 3 Laws of Thermodynamics and posit that (1) Price (P) - Cost of Production (COP) = Profit (p), (2) deception about COP strives to a maximum, and (3) No work, price or profit on a dead planet [29]. The major cost of production (COP) in the British Raj was the passive mass murder of 1.8 billion Indians through deadly impoverishment, and in keeping with Polya's Second Law of Economics, the British strove to deceive the world about this horror.

The capitalist perpetrator deception continues in a neoliberal One Percenter-dominated world that is existentially threatened by nuclear weapons (a nuclear winter from nuclear war would wipe out most of Humanity and the Biosphere), poverty (15 million people die avoidably from deprivation each year, 4 million in India) and man-made climate change (about 1 million people die from climate change each year but this set to increase to an average of 100 million deaths per year this century if urgent, requisite action is not taken) [30- 32] . Poverty kills. History ignored yields history repeated [6]. Peace is the only way but silence kills and silence is complicity. Please inform everyone you can.

*

Note to readers: please click the share buttons above. Forward this article to your email lists. Crosspost on your blog site, internet forums. etc.

Dr Gideon Polya taught science students at a major Australian university for 4 decades. He published some 130 works in a 5 decade scientific career, most recently a huge pharmacological reference text "Biochemical Targets of Plant Bioactive Compounds" (CRC Press/Taylor & Francis, New York & London , 2003).

Notes

[1]. Utsa Patnaik and Prabhat Patnaik, "A Theory of Imperialism", Columbia University Press, New York, 2016.

[2]. "Utsa Patnaik", Wikipedia: https://en.wikipedia.org/wiki/Utsa_Patnaik .

- [3]. Utsa Patnaik in Arindam Banerjee and C. P. Chandrasekhar, editors, "Dispossession, Deprivation, and Development. Essays for Utsa Patnaik, Columbia University Press, 2018.
- [4]. "How much money did Britain take away from India? About \$45 trillion in 173 years, says top economist", Business Today, 19 November 2018:
<https://www.businesstoday.in/current/economy-politics/this-economist-says-britain-took-away-usd-45-trillion-from-india-in-173-years/story/292352.html>.
- [5]. Jason Hickel, "How Britain stole \$45 trillion from India and lied about it", Al Jazeera, 18 December 2018: <https://www.aljazeera.com/indepth/opinion/britain-stole-45-trillion-india-181206124830851.html> .
- [6]. Gideon Polya, "Jane Austen and the Black Hole of British History. Colonial rapacity, holocaust denial and the crisis in biological sustainability", G.M. Polya, Melbourne, 1998, 2008 that is now available for free perusal on the web: <http://janeaustenand.blogspot.com/> .
- [7]. Gideon Polya, "Review: "Inglorious Empire. What the British did to India" by Shashi Tharoor", Countercurrents, 8 September 2017:
<https://countercurrents.org/2017/09/08/review-inglorious-empire-what-the-british-did-to-india-by-shashi-tharoor/> .
- [8]. Shashi Tharoor, "Inglorious Empire. What the British did to India", Scribe, 2017.
- [9]. "Economic history of India", Wikipedia: https://en.wikipedia.org/wiki/Economic_history_of_India .
- [10]. "Angus Maddison statistics of the ten largest economies by GDP (PPP)", Wikipedia:
[https://en.wikipedia.org/wiki/Angus_Maddison_statistics_of_the_ten_largest_economies_by_GDP_\(PPP\)](https://en.wikipedia.org/wiki/Angus_Maddison_statistics_of_the_ten_largest_economies_by_GDP_(PPP)).
- [11]. Angus Maddison, "Contours of the World Economy 1-2030AD", Oxford University Press, 2007.
- [12]. "Gideon Polya, "Body Count. Global avoidable mortality since 1950", including an avoidable mortality-related history of every country from Neolithic times and is now available for free perusal on the web : <http://globalbodycount.blogspot.com.au/> .
- [13]. Paul Greenough (1982), "Prosperity and Misery in Modern Bengal: the Famine of 1943-1944" (Oxford University Press, 1982).
- [14]. Gideon Polya, "Economist Mahima Khanna, Cambridge Stevenson Prize And Dire Indian Poverty", Countercurrents, 20 November, 2011: <https://countercurrents.org/polya201111.htm> .
- [15]. Amaresh Misra, "War of Civilisations: India AD 1857".
- [16]. Randeep Ramesh, "India's secret history: :A holocaust, one where millions disappeared", Guardian, 24 August 2007: <https://www.theguardian.com/world/2007/aug/24/india.randeepramesh> .
- [17]. Populstat, "India. Historical demographical data of the whole country":
<http://www.populstat.info/Asia/indiac.htm> .
- [18]. Winston Churchill, speech to the House of Commons about Indians (1935); 1. Hansard of the House of Commons, Winston Churchill speech, Hansard Vol. 302, cols. 1920-21, 1935.
- [19]. N. G. Jog, "Churchill's Blind-Spot: India", New Book Company, Bombay, 1944 (Winston Churchill quoted on p195).

- [20]. K.C. Ghosh, "Famines in Bengal 1770-1943" (National Council of Education, Calcutta, 2nd edition 1987).
- [21]. T. Das, T. (1949), "Bengal Famine (1943) as Revealed in a Survey of Destitutes of Calcutta", University of Calcutta, Calcutta, 1949.
- [22]. Gideon Polya, "Australia And Britain Killed 6-7 Million Indians In WW2 Bengal Famine", Countercurrents, 29 September, 2011: <https://countercurrents.org/polya290911.htm> .
- [23]. "Bengali Holocaust (WW2 Bengal Famine) writings of Gideon Polya", Gideon Polya: <https://sites.google.com/site/drgideonpolya/bengali-holocaust> .
- [24]. Amartya Sen, "Famine Mortality: A Study of the Bengal Famine of 1943" in Hobshawn, E. (1981) (editor), Peasants In History. Essays in Honour of David Thorner (Oxford University Press, New Delhi).
- [25]. Cormac O Grada (2009) "Famine a short history" (Princeton University Press, 2009).
- [26]. Madhusree Muckerjee (2010), "Churchill's Secret War. The British Empire and the ravaging of India during World War II" (Basic Books, New York, 2010).
- [27]. Thomas Keneally (2011), "Three Famines" (Vintage House, Australia, 2011).
- [28]. Prianshi Mathur, "Did you know that back in the Raj days, British looted Rs 3.2 lakh crore from India?", India Times, 16 December 2018: <https://www.indiatimes.com/trending/wtf/did-you-know-that-back-in-the-raj-days-british-looted-rs-3-2-lakh-crore-from-india-358731.html> .
- [29]. Gideon Polya, "Polya's 3 Laws Of Economics Expose Deadly, Dishonest And Terminal Neoliberal Capitalism", Countercurrents, 17 October, 2015: <https://countercurrents.org/polya171015.htm> .
- [30]. "Climate Genocide": <https://sites.google.com/site/climategenocide/> .
- [31]. "Too late to avoid global warming catastrophe": <https://sites.google.com/site/300orgsite/too-late-to-avoid-global-warming>
- [32]. "Nuclear weapons ban , end poverty & reverse climate change": <https://sites.google.com/site/300orgsite/nuclear-weapons-ban>

Featured image is from Countercurrents

The original source of this article is [Countercurrents](#)
Copyright © [Gideon Polya](#), [Countercurrents](#), 2018

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Gideon Polya](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca